



OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR-2022-0001]

Request for Comments Concerning the Operation of the United States-Mexico-Canada Agreement with Respect to Trade in Automotive Goods

AGENCY: Office of the United States Trade Representative (USTR).

ACTION: Request for comments.

SUMMARY: The U.S. Trade Representative must conduct a review of trade in automotive goods under the United States-Mexico-Canada Agreement (USMCA) and submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives no later than July 1, 2022. USTR invites comments concerning the operation of the USMCA with respect to automotive goods, including the implementation and enforcement of the USMCA rules of origin for automotive goods, as well as whether the automotive provisions of the USMCA are relevant in light of technological and production advances.

DATES: USTR must receive your written comments by [INSERT DATE 45 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: USTR strongly prefers electronic submissions made through the online USTR portal: <https://comments.ustr.gov/s/>. Follow the instructions for submitting comments in sections C and D below. The docket number is USTR-2022-0001.

FOR FURTHER INFORMATION CONTACT: Justin Hoffmann, Director for Industrial Goods at (202) 395-2990 or Justin.D.Hoffmann@ustr.eop.gov.

SUPPLEMENTARY INFORMATION:

A. USMCA Background

On January 29, 2020, the President signed into law the USMCA Implementation Act (Pub. L. 116-113), which implements the USMCA between the United States, the

United Mexican States, and Canada attached as an Annex to the Protocol Replacing the North American Free Trade Agreement. The USMCA entered into force on July 1, 2020.

The USMCA includes new rules of origin to claim preferential treatment for automotive goods, including higher Regional Value Content (RVC) thresholds, mandatory requirements to produce core parts in the region, mandatory steel and aluminum purchasing requirements, and a Labor Value Content (LVC) requirement. The USMCA allows vehicle producers to request an alternative staging regime for these requirements that would permit a longer period of transition to help ensure that future production is able to meet the new rules. The standard staging regime is specified under the Automotive Appendix to Chapter 4 of the USMCA, with the exception of Article 8, which specifies provisions relating to the alternative staging regime.

The USMCA Implementation Act and Executive Order 13908 established the Interagency Committee on Trade in Automotive Goods (Committee) to advise the President and the U.S. Trade Representative on the implementation, enforcement, and modification of the USMCA provisions related to automotive goods. In addition, the Committee reviews the operation of the USMCA with respect to trade in automotive goods, including the economic effects of the USMCA automotive rules of origin on the U.S. economy, workers, consumers, and the impact of new technology on such rules.

B. Report to Congress

Section 202A(g) of the USMCA Implementation Act requires the U.S. Trade Representative, in consultation with the Committee, to conduct a biennial review of the operation of the USMCA with respect to trade in automotive goods, including:

- a) To the extent practicable, a summary of actions taken by producers to demonstrate compliance with the automotive rules of origin, use of the alternative staging regime, enforcement of such rules of origin, and other relevant matters.

- b) Whether the automotive rules of origin are effective and relevant in light of new technology and changes in content, production processes, and character of automotive goods.

No later than July 1, 2022, USTR will submit the results of the biennial review to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives and post a public version of the report to its website at <https://www.ustr.gov>.

C. Request for Public Input

In accordance with the USMCA Implementation Act, USTR and the Committee seek views from producers of automotive goods, labor organizations, and other interested parties regarding:

1. The overall operation of the USMCA with respect to automotive goods.
2. Actions taken by automotive and parts producers to demonstrate compliance with the USMCA automotive rules of origin, including:
 - a. The applicable RVC requirements for passenger vehicles, light trucks, heavy trucks, other vehicles, and parts thereof.
 - b. The North American steel and aluminum purchase requirements.
 - c. The LVC requirements.
3. The use of alternative staging regimes by vehicle producers to meet the USMCA automotive rules of origin.
4. Enforcement of the USMCA automotive rules of origin, including the alternative staging regimes and the automotive certification process for steel and aluminum content, LVC, and RVC.
5. Whether the current USMCA automotive rules of origin are effective and relevant in light of new technology and changes in the content, production processes, and character of automotive goods.

6. Any other topics relevant to the trade in automotive goods under the USMCA.

D. Procedures for Written Submissions

All submissions must be in English and submitted using the electronic portal at <https://comments.ustr.gov/s/>. You will be able to view a docket entitled ‘Request for Comments Concerning the Operation of the United States-Mexico-Canada Agreement (USMCA) with Respect to Trade in Automotive Goods’ on the portal, docket number USTR-2022-0001.

You do not need to establish an account to make a submission. Fields with a gray (BCI) notation are for Business Confidential Information (BCI), which will not be made publicly available. Required fields are marked ‘Required’ and have a red asterisk (*). Fields with a green (Public) notation will be viewable by the public. The first screen of the portal requires you to enter identification and contact information. Submitters should identify the full legal name of the organization they represent, and identify the primary point of contact for the submission.

For uploads containing BCI, the file name of the business confidential version should begin with the characters ‘BCI’. Any page containing BCI must be clearly marked ‘BUSINESS CONFIDENTIAL’ on the top of that page and the submission should clearly indicate, via brackets, highlighting, or other means, the specific information that is BCI. If you request business confidential treatment, you must certify in writing that disclosure of the information would endanger trade secrets or profitability, and that the information would not customarily be released to the public. Parties uploading attachments containing BCI also must submit a public version of their submission. The file name of the public version, which you must upload on <https://comments.ustr.gov/s/>, should begin with the character ‘P’. Follow the ‘BCI’ and ‘P’ with the name of the person or entity making the submission. USTR will post attachments uploaded to the docket for public inspection, except for attachments marked as BCI.

You can view all public submissions on the USTR portal at

<https://comments.ustr.gov/s/>.

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[FR Doc. 2022-02793 Filed: 2/9/2022 8:45 am; Publication Date: 2/10/2022]